

# MINUTES: ENERGY COUNCIL MEETING

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**Meeting purpose** To ensure the opinions and position of the network via the Energy Council (EC) and CSD is considered and discussed in an open forum.

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**Meeting Location** Date: August 6, 2008  
Time: 10:00 am – 3:00 pm  
Place: Community Services & Development (CSD)  
King Conference Room

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**Attendees** **Energy Council Attendees:**

Arleen Novotney (SoCal Forum), Kathy Kifaya (SoCal Forum), Edward Ocampo (ACCES), Alex Sotomayor (ACCES), Louise Perez (ACCES), Val Martinez (ARNCEP), Linda McQueen (ARNCEP), Dennis Osmer (LSPC), Bill Parker (BAPRC)

**CSD Attendees:**

Lloyd Throne, Renee Webster-Hawkins, Jason Wimbley, and Kathy Ely

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**Topics discussed** The table below identifies the topics discussed in the meeting and the person who led each discussion.

Topic	Discussion Leader
Solar	Renee Webster-Hawkins
Leveraging	Renee Webster-Hawkins
Subcommittee Reports	Kathy Kifaya
Action Items	Val Martinez

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**Solar** CSD announced that we were not selected as program manager of the CSI Low-Income Program. Grid Alternative (GA) was the winning bidder.

Lloyd Throne extended gratitude to Louise Perez for her representation of the network at the interview before the CPUC. Louise Perez complimented CSD on the proposal. Louise was in awe of how Renee facilitated the group and moderated the discussion during the interview with the CPUC. We hit very salient points that were key to representing the strength of CSD's proposal and partnership. The outcome was not lack of presentation or content of the proposal.

Renee Webster-Hawkins indicated that the interview panel was limited to six people and CSD had a tough time choosing who to select to attend the interview since every partner played an important role with the proposal. It was the strength of the partnerships that went into the proposal. There were three bids and GA and CSD were the only entities that were interviewed.

A follow-up call was made to the CPUC group for specific information on the selection process. It has been going back and forth between the CPUC and CSD on this matter, thus far CSD has not received satisfactory response. This was a sealed bid process.

Grid Alternatives (GA) have offices in Oakland and LA. GA has installed 180 PV systems using a Habitat for Humanity model. They have an electrician license and use volunteers. Their operating budget is \$360,000 per year. It is uncertain if they have partnerships or leveraging activities as part of their proposal. They will be receiving the incentive payments. GA also plans to do all of the installs.

CSD contacted GA to inquire the level of interest for some type of partnership between CSD and GA for solar installations. GA's interest was limited to use of LIHEAP funds to weatherize the units completed. GA's program model requires homeowners to take out a loan for the install. CSD proposed to help with the installs with the CSD model of no loan, in areas outside of GA's current presence. GA was not receptive. GA may be contacting LIHEAP service providers to access information concerning homes that were weatherized or going to be weatherized. Keep in mind that GA has a 4 million budget for marketing and outreach. GA did not seem willing to extend leveraging to the network to perform any installations. Renee Webster-Hawkins indicated we have the strength, the vision of and commitment of the partnership team to continue our efforts to pursue implementing this business model elsewhere, including municipal utilities that have low-income programs.

Jason Wimbley advised that we are looking to move forward. The municipal utilities are an attractive market. We also have the AB 1470 solar water heating – we can take another look at the pilot to see how we can be engaged. We have the only data loggers in the solar system. Time to look at expanding the pilot.

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## **Utility Leveraging**

There was a workshop held by the CPUC on the LIEE program. There was discussion about an MOU between CSD and the CPUC. Kelly Hymes, staff assistant to the ALJ, called CSD to understand the leveraging issue. The MOU is just a concept and has not officially been endorsed.

The EC engaged in an in-depth discussion of the issue surrounding leveraging with the utilities.

The EC group spoke about the policy, legal, business and technical differences between CSD, the LSP network, and the utilities, including issues associated with leveraging due to the difference in program requirements,

measure requirements, and reimbursement rates.

The EC endorsed the following next steps:

1. CSD will draft a policy statement that articulates CSD's and the LSP network's goals and approach to leveraging and coordinating with the utilities. The policy statement will include the following concepts:
  - Existing definition that we crafted last Spring 2008
  - No infringements on LIHEAP funds
  - No reductions in funding levels
  - No restrictions on existing agreements and relationships between LSPs and utility company
  - Look at the local issues north and south
  - Maintain autonomy of individual agencies
  - Name some specific opportunities for leveraging, such as pilot programs and current examples of leveraging that currently work and meet the policy statement.
2. Follow-up Meeting with IOUs. The EC members will try to reschedule the meeting for Tuesday, August 19<sup>th</sup> from 11:00 to 2:00.

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**Subcommittee reports**

Kathy Kifaya reported recommendations concerning travel reimbursement, benefit levels, and leveraging award as follows:

**1) Travel Reimbursement**

Discussion was held to review the short-term and long-term options to increase travel reimbursement in response to high fuel prices. The options included:

- A). Pursue plans to immediately amend the 2008 LIHEAP Contract to:
  - Increase the LIHEAP Labor Rate (per the latest EDD Labor Statistic Survey - see Attachment I);
  - Increase the existing the fixed-fee travel reimbursement for SFDs, MUDs and mileage (for long distance travel); adjustments performed using standard practices for basing adjustments based on national fuel surveys and IRS mileage rate increases:
  - Single Family Reimbursement = Add new \$10 surcharge; increasing the total reimbursement for SFD trip charges to: 1 labor hour unit + \$8.00 (existing surcharge) + \$10.00 (new surcharge) = total SFD travel reimbursement
  - Multi-Family Dwelling Reimbursement = Add new \$1.10 surcharge; increasing the total reimbursement for MUD trip charges to: \$3.00 + \$1.10
  - Mileage Reimbursement = Add new \$.10; increasing the total

rate reimbursement for long-distance miles to \$.91, per mile

B). Discuss and decide on whether to pursue the proposed MUD travel reimbursement policy (Attachment II) and decide on a feasible implementation date.

EC voted and recommended to CSD to make the immediate changes as represented in Option A, and increase the MUD rates by an additional \$5.00 to a total of \$8.50, effective August 1, 2008. EC agreed to continue discussion on the MUD Travel Reimbursement Policy.

## **2) LIHEAP Cash Assistance Benefit Formula**

Based on requests from LIHEAP service provider agencies, the subcommittee explored the idea of modifying the existing formula in efforts to deliver more customized benefit based on fuel costs and need.

- CSD staff analyzed an alternative (Attachment III) to the EC based on a benefit formula incorporating the energy-burden. Under the proposed change, CSD would maintain the existing payment formula model yielding four benefit levels by degree of poverty for each individual county. In addition, this alternative would establish four energy-burden ranges covering: 0-5%, 5.01% - 7.00%; 7.01% - 10.00%; and 10.01% -150%. Each range would essentially serve as a measure of need, where the highest energy burden category would qualify to receive the highest payment and the lowest range the lowest possible benefit.
- Given that energy burden may not accurately serve as a sole measure of energy need, particularly for the elderly and disabled, the benefit formula may include an exemption waiver where households with such members would automatically qualify to receive the maximum benefit.

Val Martinez indicated that we do not want to have the customized benefits restricted to the new model as this will take away from the local control. Jason Wimbley stated that we cannot manage multiple models. Requires coordination with State Controllers Office. Kathy Kifaya questioned whether or not the system could be an open field to input the amount of benefit. Jason Wimbley advised this would be very problematic from an IT perspective.

Val Martinez asked if making direct payment to the utilities is an option. Jayson Wimbley indicated the utilities would not support. Utility systems support current pledge process that is completely automated. It would be very disruptive for utilities.

The EC group decided to further discussion on exploring the intent of HEAP and whether the philosophy decision is to provide an impact to the household and not just cover the current payment. Additionally, there were IT constraints in making changes to the system and the EC group decided to find out feasibility through IT.

It was moved by Val to decline the recommendation of the changes in the HEAP payments, seconded by Dennis.

Jason Wimbley asked the EC if two utility bills (split payment) be made an option. Some answered that this would not provide a clear benefit to the client nor would it stretch the funds. Kathy Kifaya would like the ability to pay both bills. There are instances that need this benefit. Some asked if this can be an agency decision. At CSD this would cause an IT problem. Louise Perez stated that this is more a policy decision rather than an IT issue. This request was addressed and after considerable research and discussion decided to table this issue for future contract.

### **3). Leveraging Funding**

Jason Wimbley advised that HHS informed LIHEAP State Grantees that it did not secure the needed budget authority to fund the LIHEAP Leveraging Incentive Program and REACH for FFY 08. As a result, HHS decided to distribute the \$26.4 million (combined total of FFY 08 REACH and LIHEAP Leveraging Funding) to states using the main grant distribution formula. California's share of this distribution totaled \$1.7 million. The 1.7 million is considered a supplement to the main grant appropriation; therefore, subject to the use restrictions of the general LIHEAP grant funds.

CSD solicited input from the EC for how to distribute these funds. Options under consideration include either: 1) distributing funds via the three factor distribution formula to all agencies; or 2) distribute funds to only those agencies participating in the FFY 08 Leveraging Application.

EC asked if the funds could be allocated in the 2009 LIHEAP Contract. It was determined that since these funds are considered 2008 LIHEAP funds that they were to be augmented into the 2008 LIHEAP PY.

It was moved by Kathy Kifaya and seconded by Val Martinez that the funding should be distributed to the agencies that participated in leveraging agencies. CSD confirmed that the 1.7 million will be augmented in the 2008 LIHEAP contract via an amendment to be effective August 1, 2008, and CSD will further research whether there are any legal or other barriers to allocating the funds only to the leveraging agencies.

### **4). Reimbursement Measure Cap Increases**

**The EC group agreed to increase the rates for the following measures:**

- Electric hot water heater \$700 to \$980 (equal to gas hot water heaters)
- Evaporative cooler, wall/window replacement \$786 to \$900

Several EC members requested additional measures to be evaluated for increases to include water heater blanket, cook stoves, dual pane window replacements, and insulation. CSD will evaluate these additional measures for potential increases in the 2008 LIHEAP contract amendment.

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**Review of  
Action Items**

The EC group reviewed the action items as identified in the 6/12/08 minutes.

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**Decisions**

The EC made the following decisions and/or made the following policy and contract recommendations to CSD. :

- Develop policy statement on leveraging
- Reschedule meeting with IOU to present policy statement
- Increase travel reimbursement rates immediately in the 2008 LIHEAP Contract
- Decline changes to benefit levels at this time
- Allocate 1.7 million to leveraging agencies

**Actions**

The table below identifies the actions, responsibilities, and deadlines for implementing the decisions made during the meeting and from past meetings.

No.	Action	Responsibility	Deadline
1	Develop Policy Statement on Leveraging	CSD	August, 2008
2	Schedule Meeting with IOU	CSD	August, 2008
2	Create SWEATS activation form and internal procedures	CSD	December, 2008
3	Create SWEATS activation form and internal procedures	CSD	December, 2008
4	Prepare information transmittal to clarify when an amendment and/or budget modification is necessary	CSD	December, 2008
5	Prepare information transmittal to clarify ECIP policy seasonal limitations	CSD	December, 2008

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**Next meeting**

September 11, 2008 via teleconference.

**Agenda**

The following is the tentative agenda for the September 11, 2008 meeting:

Labor Rate Increases

Carbon Credits

Automation update

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